Government of Saskatchewan

This information is provided as a resource by Saskatchewan Agriculture staff.
All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
Please use this information at your own risk.

Weekly Cattle Market Update

For the Week Ending September 22, 2017

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)								
Feeder Steers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800-900**	**900+ lb.**
Sept. 22/2017	Average	$239.38	$230.00	$215.20	$206.80	$203.50	$192.50	$176.80
Sept. 22/2017	Range	226-257	219-245	207-230	199-220	194-211	185-200	170-188
week/week	Change	$0.05	$2.87	$6.07	$5.17	$3.12	$5.00	$4.42
Sept. 15/2017	Average	$239.33	$227.13	$209.13	$201.63	$200.38	$187.50	$172.38
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
Sept. 22/2017	Average	$208.88	$198.10	$187.63	$182.13	$179.70	$174.50	
Sept. 22/2017	Range	195-231	189-210	182-194	174-188	171-188	167-178	
week/week	Change	$6.88	$8.43	$7.03	$6.13	$5.00	$2.62	
Sept. 15/2017	Average	$202.00	$189.67	$180.60	$176.00	$174.70	$171.88	

Source: Canadian data is provide by CanFax and cannot be redistributed without Canfax consent (www.canfax.ca).
Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Wednesday the current week. N.A. means not available due to lack of sufficient data.

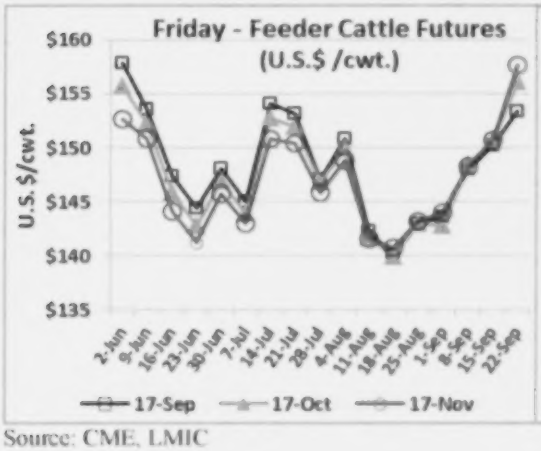
Canfax reported that a total of 8,285 head of cattle were sold in Saskatchewan this week, down from 8,591 head sold the previous week, but up from 6,514 head the same week a year ago.

Saskatchewan feeder steer prices were steady-to-higher over the week with all weight categories reported. Saskatchewan feeder steer prices increased between $0.05 per cwt and $6.07 per cwt over the week. The 500-600 lb. feeder steer weight category had the biggest price gain of $6.07 per cwt over the week to average $215.20 per cwt.

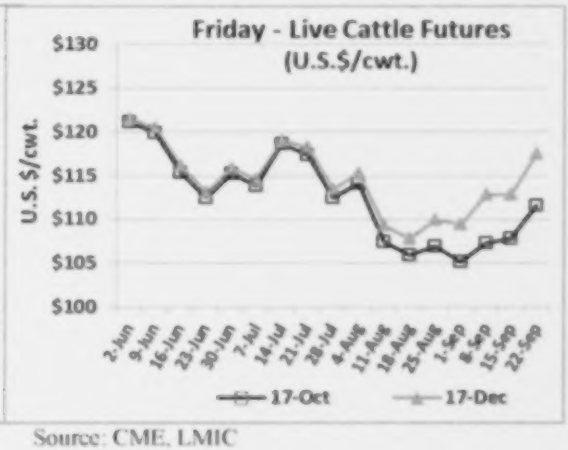
Saskatchewan feeder heifer prices were also reported in all the weight categories over the week. Prices were higher in all weight categories and increased from $2.62 per cwt to $8.43 per cwt, from the previous week. The largest price gain reported over the week was in the 400-500 lb. weight category. Saskatchewan feeder cattle prices are provided by Canfax (#403-275-5110) or (www.canfax.ca) and cannot be redistributed without permission.

The Saskatchewan 750 lb. feeder steer basis compared to the Sept. 21, 2017, U.S. feeder cattle index at US$151.44 per cwt was calculated at (+$16.97) per cwt ($203.50 - US$151.44/0.8119, a basis widening (negative) of $1.01 per cwt from the basis of (+$17.98) per cwt from the previous week.

Feeder cattle daily futures prices were primarily higher over the week with big gains on Wednesday to help prices move higher, week-over-week. The September-to-November contracts increased between US$3.175 and US$6.900 per cwt. The November contract increased US$6.900 per cwt to settle Friday at US$157.625 per cwt.



Source: CME, LMIC



Source: CME, LMIC

Live daily cattle futures prices were primarily higher over the week with good gains Wednesday to help prices move higher, week-over-week. The nearby October contract increased US$3.825 per cwt to settle Friday at US$111.575 per cwt; while the December contract increased US$4.600 per cwt to settle Friday at US$117.425 per cwt.

Iowa cash corn prices settled Friday at US$3.04 per bushel, down two cents from US$3.06 per bushel the previous Friday. Daily corn futures were mixed down Monday and Tuesday before increasing later in the week to help minimize losses, weak-over-week. The December corn contract declined 1¼ cents to settle Friday at US$3.53½ per bushel. The March 2018 corn contract also declined 1¼ cents to settle Friday at US$3.66 per bushel.

Fed and Non-fed Cattle

	September 22, 2017	September 15, 2017	Week over Week
Steers (Alberta)			
Live	$134.58	$133.88	+$0.70
Rail	$223.75	$220.50 to $226.00	+$3.25 to -$2.25
Cows (Alberta)			
D1,2 Live	$85.71	$87.72	-$2.01
D3 Live	$77.00	$78.33	-$1.33
Rail	$168-172	$172-177	-$4.00 to -$5.00

Source: Canfax. (n/a = not available, n/c = no change)

Prices for liveweight, non-fed cattle in Alberta were again lower over the week. The price of D1,2 slaughter cows declined $2.01 per cwt to average $85.71 per cwt; while the price of D3 slaughter cows declined $1.33 per cwt to average $77.00 per cwt.

Fed cattle prices for Alberta fed steers averaged $134.58 per cwt over the week, up $0.70 per cwt from $133.88 per cwt the previous week. Western Canadian slaughter cattle prices are provided by Canfax and cannot be redistributed without their permission. www.canfax.ca)

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$106.75 per cwt, up US$0.87 per cwt or 0.8 per cent from US$105.88 per cwt the previous week; and up US$0.86 per cwt or 0.8 per cent from US$105.89 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$166.00 per cwt, down US$0.48 per cwt from US$166.48 per cwt the previous week, and down 0.7 per cent from US$167.09 per cwt the same week a year ago.

The *Cattle on Feed Report* was released on Friday September 22, by the United States Department of Agriculture (USDA), for the September 1 inventory numbers.

September 1, 2016 and 2017, Cattle on Feed (in U.S. feedlots with 1,000+ capacity)

	2016	2017	Per cent of previous year
On feed August 1	10,165,000	10,604,000	104.3
Placed during August	1,879,000	1,928,000	102.6
Marketed during August	1,868,000	1,979,000	105.9
Other disappearance during August	41,000	49,000	119.5
On feed September 1	10,135,000	10,504,000	103.6

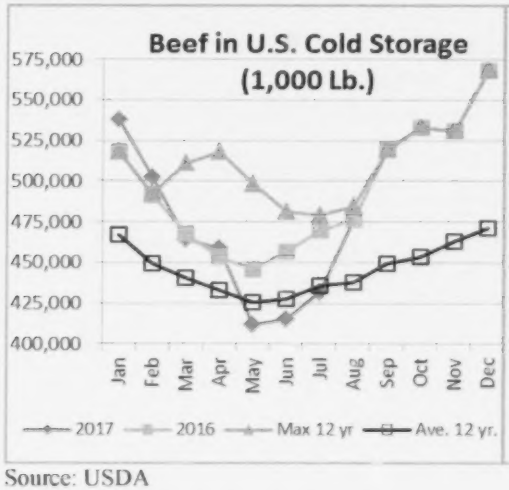
Source: USDA

The USDA Cattle on Feed (COF) report indicated that the number of cattle placed on feed in August 2017 was 1.928 million head, up 2.6 per cent from 1.879 million head in August 2016, and up over 19 per cent from 1.615 million head placed in July 2017. The number of fed cattle marketed in August 2017 was 1.979 million head, up 5.9 per cent from 1.868 million head in August 2016, and up almost 11 per cent from 1.784 million head marketed in July 2017. The August 2017 cattle placements were 102.6 per cent of August 2016 numbers which was almost six per cent higher than the average trade estimates (96.8 per cent). The cattle marketed in August 2017 were 105.9 per cent of the August 2016 numbers; which was very close to the average trade estimates (106.0 per cent).

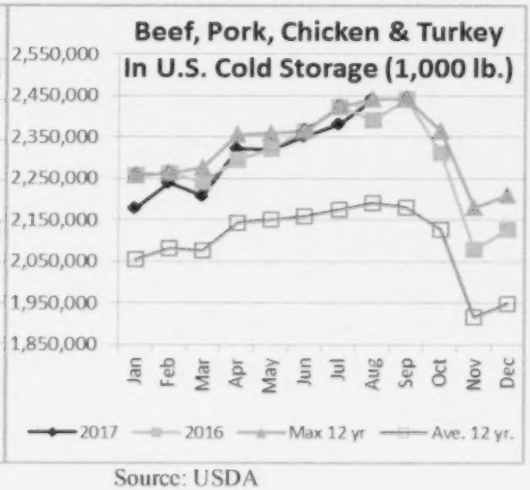
The USDA cattle on feed numbers for September 1, 2017 were 10.504 million head, 3.6 per cent above the September 2016 inventory numbers of 10.135 million head, but close to one per cent below the August 2017 numbers. The USDA year-over-year numbers were 103.6 per cent; almost one per cent higher than the average trade estimates (102.7 per cent). The USDA numbers were overall close to trade estimates except the cattle placed in August which were almost six per cent higher than the average trade estimates. The cattle numbers will likely be viewed as negative for cattle markets with the higher August placement numbers.

Beef production for the week was estimated at 524.1 million lb., down 0.4 per cent from 526.2 million lb. the previous week, but up 5.6 per cent from 496.5 million lb. the same week a year ago. Cattle slaughtered over the week were estimated at 637,000 head, down 0.8 per cent from 642,000 head the previous week, but up 6.9 per cent from 596,000 head the same week a year ago.

USDA released the latest U.S. cold storage numbers on September 22, 2017. The U.S. beef stocks in cold storage totaled 476.3 million lb. on August 31, 2017, up 10.3 per cent from 431.8 million lb. on July 31, 2017, but down slightly from 476.6 million lb. on August 31, 2016. Beef stocks in cold storage for August 31, 2017 were above the monthly 12-year average, but below the monthly 12-year highs.



Source: USDA



Source: USDA

Total pork, beef, chicken and turkey in cold storage on August 31, 2017 was at 2.440 billion lb., up 2.5 per cent from July 31, 2017, and up 2.0 per cent from August 31, 2016. U.S. meat in cold storage for August 31, 2017 was above the 12-year average; but slightly below the previous record highs of 2.442 billion lb. established in September 2016.

U.S. choice beef cutout prices (600-900 lb.) averaged US$191.98 per cwt over the week, up US$0.95 per cwt or 0.5 per cent from US$191.03 per cwt the previous week, and up 2.9 per cent from US$186.48 per cwt the same week a year ago.

Friday Price Information

Product		This Week (Sept. 22, 2017)	Week of: (Sept. 15, 2017)	Week of: (Sept. 23, 2016)
Canadian Dollar (closing rate US$)		.8119	.8208	.7592
U.S. Cash Cattle				
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		151.44	149.73	136.10
Seven-day Weighted Average FC Index Wt. (lb.)		801	796	762
Live Fed 5-area Steer Price (US$ per cwt)		106.75	105.88	105.89
Feed Grains				
Barley	Lethbridge ($/tonne)	197.00	197.00	158.00
	($ per bu.)	4.29	4.29	3.44
Corn	Iowa State Average (CDN$/tonne)*	147.41	146.77	152.45
	(US$ per bu.)	3.04	3.06	2.94
	Omaha, NE (CDN$/tonne)*	150.31	153.00	158.67
	(US$ per bu.)	3.10	3.19	3.06
Futures				
	December Corn (US$ per bu.)	3.53 ½	3.54 ¾	3.36 ½
	March Corn (US$ per bu.)	3.66	3.67 ¼	3.46 ¼
	October Live Cattle (US$ per cwt)	111.575	107.750	107.275
	December Live Cattle (US$ per cwt)	117.425	112.825	106.850
	September Feeder Cattle (US$ per cwt)	153.400	150.225	136.825
	November Feeder Cattle (US$ per cwt)	157.625	150.725	129.725

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News

* conversion to CDN$ is based on Friday's CDN$ closing rate.

For more information contact:

Brad Marceniuk, PAg.
Provincial Livestock Economist
306-933-5098
brad.marceniuk@gov.sk.ca